

**ACTION:** Final rule.

**SUMMARY:** This change in the regulations increases the maximum allowable interest rate on Section 232 (Mortgage Insurance for Nursing Homes) and on Section 235 (Homeownership for Lower Income Families) insured loans. This final rule is intended to bring the maximum permissible financing charges for these programs into line with competitive market rates and help assure an adequate supply of and demand for FHA financing.

**EFFECTIVE DATE:** May 8, 1984.

**FOR FURTHER INFORMATION CONTACT:**

John N. Dickie, Chief, Mortgage and Capital Market Analysis Branch, Office of Financial Management, Department of Housing and Urban Development, 451 Seventh Street, SW., Washington, D.C. 20410. Telephone (202) 755-7270. (This is not a toll-free number.)

**SUPPLEMENTARY INFORMATION:**

The following amendments to 24 CFR Chapter II have been made to increase the maximum interest rate which may be charged on loans insured by this Department under section 232 (fire safety equipment) and section 235 of the National Housing Act. The maximum interest rate on the HUD/FHA section 232 (fire safety equipment) and section 235 insurance programs has been raised from 13.00 percent to 13.50 percent.

The Secretary has determined that this change is immediately necessary to meet the needs of the market and to prevent speculation in anticipation of a change, in accordance with his authority contained in 12 U.S.C. 1709-1.

As a matter of policy the Department submits most of its rulemaking to public comment, either before or after effectiveness of the action. In this instance, however, the Secretary has determined that advance notice and public comment procedures are unnecessary and that good cause exists for making this final rule effective immediately.

HUD regulations published at 47 FR 56266 (1982), amending 24 CFR Part 50, which implement section 102(2)(C) of the National Environmental Policy Act of 1969, contain categorical exclusions from their requirements for the actions, activities and programs specified in § 50.20. Since the amendments made by this rule fall within the categorical exclusions set forth in paragraph (1) of § 50.20, the preparation of an Environmental Impact Statement or Finding of No Significant Impact is not required for this rule.

This rule does not constitute a "major rule" as that term is defined in section 1(b) of Executive Order 12291 on Federal

Regulation issued on February 17, 1981. Analysis of the rule indicates that it does not (1) have an annual effect on the economy of \$100 million or more; (2) cause a major increase in costs or prices for consumers, individual industries, Federal, State or local governmental agencies, or geographic regions; or (3) have a significant adverse effect on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets.

In accordance with the provisions of 5 U.S.C. 605(b) (the Regulatory Flexibility Act), the undersigned hereby certifies that this rule does not have a significant economic impact on a substantial number of small entities. The rule provides for a small increase in the mortgage interest rate in programs of limited applicability, and thus of minimal effect on small entities.

This rule was not listed in the Department's Semiannual Agenda of Regulations published on April 19, 1984 (49 FR 15902) pursuant to Executive Order 12291 and the Regulatory Flexibility Act.

The Catalog of Federal Domestic Assistance program numbers are 14.108, 14.117, and 14.120.

**List of Subjects****21 CFR Part 235**

Condominiums, Cooperatives, Low and moderate income housing, Mortgage insurance, Homeownership, Grant programs: housing and community development.

**24 CFR Part 232**

Fire prevention, Health facilities, Loan programs: Health, Loan programs: Housing and community development, Mortgage insurance, Nursing homes, Intermediate care facilities.

Accordingly, the Department amends 24 CFR Parts 232 and 235 as follows:

**PART 232—NURSING HOMES AND INTERMEDIATE CARE FACILITIES MORTGAGE INSURANCE**

1. In § 232.560, paragraph (a) is revised to read as follows:

**§ 232.560 Maximum interest rate.**

(a) The loan shall bear interest at the rate agreed upon by the lender and the borrower, which rate shall not exceed 13.50 percent per annum with respect to loans insured on or after May 8, 1984.

**PART 235—MORTGAGE INSURANCE AND ASSISTANCE PAYMENTS FOR HOME OWNERSHIP AND PROJECT REHABILITATION**

2. In § 235.9, paragraph (a) is revised to read as follows:

**§ 235.9 Maximum interest rate.**

(a) The mortgage shall bear interest at the rate agreed upon by the mortgagee and the mortgagor, which rate shall not exceed 13.50 percent per annum with respect to mortgages insured on or after May 8, 1984.

3. In § 235.540, paragraph (a) is revised to read as follows:

**§ 235.540 Maximum interest rate.**

(a) The mortgage shall bear interest at the rate agreed upon by the mortgagee and the mortgagor, which rate shall not exceed 13.50 percent per annum with respect to mortgages insured on or after May 8, 1984.

Authority: Sec. 3(a), 82 Stat. 113; (12 U.S.C. 1709-1); sec. 7 of the Department of Housing and Urban Development Act, 42 U.S.C. 3535(d).

Dated: May 7, 1984.

Maurice L. Barksdale,

Assistant Secretary for Housing—Federal Housing Commissioner.

[FR Doc. 84-13571 Filed 5-18-84; 8:45 am]

BILLING CODE 4210-27-M

**DEPARTMENT OF THE TREASURY****Office of Foreign Assets Control****31 CFR Part 535****Iranian Assets Control Regulations; Tangible Property of Iran Having Potential Military Application**

**AGENCY:** Office of Foreign Assets Control, Treasury.

**ACTION:** Final rule.

**SUMMARY:** The Office of Foreign Assets Control is amending § 535.215 of the Iranian Assets Control Regulations to prohibit any transfer, except under license from the Office of Foreign Assets Control, of blocked tangible property in which Iran has any interest whatsoever, the export of which requires the issuance of any license under U.S. law.

There are currently properties in the United States in which Iran has an interest that require issuance of a license for export under U.S. law. The purpose of this regulation is to assure compliance with these licensing requirements, particularly, but not only,



with respect to properties having potential military application. For some Iranian properties, export licenses are being issued. For other items (for example, munitions covered by the Arms Export Control Act, 22 U.S.C. App. 2751, *et seq.*), export licenses are not being issued.

**EFFECTIVE DATE:** May 21, 1984.

**FOR FURTHER INFORMATION CONTACT:**

Raymond W. Konan, Chief Counsel, Office of Foreign Assets Control, Department of the Treasury, Washington, D.C. 20220, 202/376-0236.

**SUPPLEMENTARY INFORMATION:** Since the regulation involves a foreign affairs function, the provisions of the Administrative Procedure Act, 5 U.S.C. 553, requiring notice of proposed rulemaking, opportunity for public participation, and delay in effective date, are inapplicable. Because no notice of proposed rulemaking is required for the rule, the Regulatory Flexibility Act, 5 U.S.C. 601 *et seq.*, does not apply. Because the amendment is being issued with respect to a foreign affairs function, it is not subject to Executive Order 12291 of February 19, 1981, dealing with Federal regulations. This regulation is not subject to the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 *et seq.*

**List of Subjects in 31 CFR Part 535**

Iran.

**PART 535—[AMENDED]**

31 C.F.R. Part 535 is amended as follows:

**§ 535.215 [Amended]**

1. Section 535.215(a) is amended by adding the following language at the beginning of that section: "Except as provided in paragraphs (b) and (c) of this section, \* \* \*"

2. New § 535.215(c) is added as follows:

\* \* \* \* \*

(c) Notwithstanding paragraph (a) of this section, persons subject to the jurisdiction of the United States, including agencies, instrumentalities and entities controlled by the Government of Iran, who have possession, custody or control of blocked tangible property covered by § 535.201, shall not transfer such property without a specific Treasury license, if the export of such property requires a specific license or authorization pursuant to the provisions of any of the following acts, as amended, or regulations in force with respect to them: the Export Administration Act, 50 U.S.C. App. 2403, *et seq.*, the Arms Export Control Act, 22

U.S.C. 2751, *et seq.*, the Atomic Energy Act, 42 U.S.C. 2011, *et seq.*, or any other act prohibiting the export of such property, except as licensed.

(Secs. 201-207, 91 Stat. 1626, 50 U.S.C. 1701-1706; E.O. No. 12170, 44 FR 65729)

Dated: May 11, 1984.

Dennis M. O'Connell,

Director, Office of Foreign Assets Control.

Approved:

John M. Walker, Jr.,

Assistant Secretary (Enforcement & Operations).

[FR Doc. 84-13726 Filed 5-17-84; 4:33 am]

BILLING CODE 4810-25-M

**POSTAL SERVICE**

**39 CFR Part 265**

**Fee Waiver Policy for Providing Customer Addresses to Government Agency Requesters**

**AGENCY:** Postal Service.

**ACTION:** Final rule.

**SUMMARY:** Effective January 1, 1985, the Postal Service will charge, with certain limited exceptions, a \$1 fee when it provides information about a postal customer's address to Federal, State, or local Government agency requesters. However, the Postal Service will continue its current policy of waiving the \$1 fee for all Government agency requests for address information received before January 1, 1985. This new requirement is adopted as a part of the Postal Service's Release of Information regulations (39 CFR Part 265).

The Postal Service will also require Government agency requesters to use a standard format when submitting their requests to post offices. The required format and certain other procedures for submitting requests are set forth in the Supplementary Information section below. These requirements go into effect on August 1, 1984.

**EFFECTIVE DATES:** January 1, 1985, for payment of the fee, § 265.8(d)(4) and (e)(8); August 1, 1984, for use of the standard request format, § 265.6(d)(7).

**FOR FURTHER INFORMATION CONTACT:**

John Gunnels, Records Office, U.S. Postal Service, (202) 245-4797.

**SUPPLEMENTARY INFORMATION:** In the Federal Register of June 22, 1983 (48 FR 28481), the Postal Service proposed to begin charging, with certain limited exceptions, the regular \$1 fee for providing address information to Federal, State, and local Government

agency requesters.<sup>1</sup> In response to this proposal, the Postal Service received comments from five Federal and twelve State agencies. The majority of these comments came from agencies that administer child support enforcement programs. Several commenters suggested that the Postal Service exempt these agencies from payment of the fee. Almost all of the agencies stated that the address information provided by the Postal Service is vital to the effective administration of their programs and also expressed concern that payment of the fees would impose a financial burden on their programs.

The Postal Service estimates that it processes approximately 2.5 million address information requests a year from Government agencies. That estimate is supported by figures supplied in the comments. In responding to these requests, the Postal Service expends considerable time and effort for which it is not being reimbursed. There are no statutes prohibiting the Postal Service from requiring reimbursement from Government agencies for this service. In fact, the statute that establishes the Parent Locator Service, section 453(e)(2) of the Social Security Act (42 U.S.C. 653(e)(2)), states that agencies supplying address information to child support enforcement agencies (for the purpose of locating absent parents) shall be reimbursed for the costs of providing that information.

Two commenters questioned the reasonableness of the \$1.00 fee, in comparison to the lower \$.25 address correction fee, and the even lower \$.13 fee for each name on a mailing list to be corrected. The low cost of the latter services is attributable to the fact that post offices operate automated address forwarding units to handle mail that cannot be delivered to the address on the envelope because the person has relocated. Address verification requests, however, are more costly to process, since they must be opened in the administrative section of the post office and directed to the carrier whose route serves that address. The carrier must determine whether or not mail for the named person is currently being delivered to the address given. While the carrier does not go to the address

<sup>1</sup>For purposes of this regulations, "address information" means either the new mailing address of a specific postal customer or a verification of a customer's current address. "Verification" means advising an agency whether or not its address for a postal customer is one at which mail for that customer is currently being delivered. "Verification" does not mean or imply knowledge on the part of the Postal Service as to the actual residence of the customer or the actual receipt by the customer of mail delivered to that address.



and verify that the person lives there, he does verify that mail for the addressee is being delivered to that address and is not being returned. The additional work of processing such request increases the cost and, therefore, causes the fee to be higher.

Several agencies involved in child support or parent locator services suggested that the fee requirement be waived for agencies involved in such services. A waiver of fees was warranted, the agencies suggested, because the general public might, in the long run, benefit from the services performed by the agencies, and because the program budgets of some of these agencies would be strained if the Postal Service were to charge the proposed fees. While the Postal Service is quite sympathetic to the concerns expressed by these agencies, it is, however, subject to the Congressional mandate to charge such fees for its services "so that the total estimated income and appropriations to the Postal Service will equal as nearly as practicable [the] total estimated costs of the Postal Service." 39 U.S.C. 3621. In keeping with this mandate, the Postal Service has adopted the general policy of requiring those who use a particular service to pay a reasonable fee in order to defray the cost of providing the service. Charging Government agencies a reasonable fee for providing address information in the manner hereby adopted is thus consistent with this general policy of the Postal Service.

In light of the foregoing, the Postal Service hereby adopts as a final rule the requirement that, except in those circumstances described below, Government agencies will be charged a \$1 fee when the Postal Service provides address information about a postal customer in response to an agency's written request. In order to allow agencies sufficient lead time for budgeting purposes, the Postal Service will not require the payment of the fee until January 1, 1985. However, the requirement that all agencies use a standard format when submitting requests will become effective on August 1, 1984. That will allow agencies adequate time to notify their affected organizations and to make the format available for their use.

This final rule modifies the provisions in 39 CFR 265.8(e)(8) by revoking the waiver of the fee for providing address information to most Federal, State, and local Government agencies. Specifically, after January 1, 1985, the fee will be waived only for requests from: (1) Local Government law enforcement officers whose primary functions are the

investigation of crimes, or the apprehension or detention of persons suspected or convicted of violations of the criminal laws of the applicable jurisdiction; (2) Federal and State law enforcement officers who confirm that the information is needed during the course of a criminal investigation; (3) Court officials such as judges, clerks, or jury commissioners, upon prior written request, when requesting the mailing address of any customer sought in connection with jury service; (4) Federal, State, and local public health officials for the purpose of locating persons who are infected with or have been exposed to contagious diseases. Within the context of this regulation, the fee will not be waived for child support enforcement purposes whether the information is requested at the Federal, State, or local level.

This final rule also deletes the provision at 265.8(e)(8)(i) that waives the fee for telegraph companies when the U.S. Government is the sender of the telegram and adds the provision for waiving the fee for any individual in a compelling emergency. The final rule does not affect the fee waiver for postage meter manufacturers when they are attempting to locate a missing meter.

#### Payment of Fee

As of January 1, 1985, Government agencies (except in those circumstances described above) will be required to pay a \$1 fee for each address information request. At that time, Government agencies may use the following options to pay the fee: (1) The fee may be paid by penalty mail stamps—Federal Agencies Only; (2) the fee may be paid by regular postage stamps; (3) the fee may be paid by postage meter strip; (4) the fee may be paid by Government check, cash, or money order accompanying each request; (5) if the anticipated volume warrants, an advance deposit account may be set up at the requester's serving post office and the fees deducted from that account. For further information on the use of any of these options, Federal agencies should contact the Manager, Government Revenue and Examination Branch, U.S. Postal Service Headquarters (202) 245-5001; State and local Government agencies should contact their Customer Services Representatives at their serving post offices.

#### Standard Request Format

The Postal Service has determined that a large part of the administrative burden on post offices answering address information requests can be eased by requiring Government agencies to use a standard request format.

Although Government agencies will be charged the same \$1 fee that the public is charged for change-of-address information, agencies may also obtain verification of customer addresses. The Postal Service incurs significant additional administrative costs in verifying addresses since each request must be handled by the carrier whose route serves the address in question. Standardization of the incoming requests is seen as an effective way to minimize these costs.

The current situation in which each agency submits its own unique request form causes substantial delays in processing. Some requests contain a preaddressed return envelope; others do not. Some requests contain the agency's certification of official need; others do not. Some requests have blocks for the carrier's responses; others do not. With such a tremendous volume of requests being submitted each year, standardization is imperative for more efficient processing.

#### Submission of Requests

Effective August 1, 1984 all Federal, State, and local Government agencies, when requesting address information from the Postal Service, will be required to use the standard request format specified herein, printed on agency letterhead. Agencies' formats must substantially conform to the example shown below. This particular example is intended for use by those agencies that, as of January 1, 1985, will pay the fee by penalty mail stamps, postage stamps, or postage meter strips. Agencies paying the fee by Government check, cash, or money order must replace the last sentence (regarding fee payment) with the statement that a Government check, cash or money order (specify) is enclosed in payment of the fee. Agencies using an advance deposit account must replace the last sentence with a statement that the serving post office should deduct the fee from that account. Those categories of agency requesters for whom a waiver of the fee will continue to apply even after January 1, 1985, will need to modify their request format to specifically claim the appropriate waiver.

Agencies are expected to use the standard request format for all request submitted after August 1, 1984. Individual postmasters may, at their discretion, continue to accept requests in other formats for a limited period of time depending upon local circumstances.

Instructions for Completing Requests:



1. Address the request to the postmaster at the post office of last known address.

2. Use the "Agency Control Number" (at the agency's option), to uniquely identify the individual whose address is being requested.

3. On the lines provided, give the name and last known address, including ZIP Code, of the individual. Do not include any other identifying information such as race, date of birth, social security number, etc.

4. Until January 1, 1985, when the requirement to pay fees becomes effective, either line through or do not include the statement "The stamps or meter strip in payment of the fee are affixed. After January 1, 1985, affix penalty mail stamp(s), postage stamp(s), or meter strip totaling \$1 in value to the space at the left of the agency official's signature."

5. The Postal Service provides the service of address verification to Government agencies only. For this reason, the Postal Service requires the signature and title of an agency official to certify that the address information requested is required in the performance of the agency's official duties.\* This agency official should be, if possible, the chief of the office requesting the information. In the interests of efficiency, however, an original signature is not required on each request; it may be preprinted or rubber stamped.

6. Type of stamp the agency's return mailing address in the space provided at the bottom of the request. Then mail the request to the postmaster at the post office of last known address.

#### Processing of Requests

Upon receipt of the request, the postmaster will check to see that: (1) All required information has been supplied, (2) after January 1, 1985, that the fee is paid (or that the requester is eligible for a waiver of the fee), and (3) that the request has been sent to the correct post office. If the request lacks any of the required information or lacks the fee (if required) or if the request has been sent to the wrong post office, the postmaster will return the request to the agency, specifying the deficiency.

In answering a Government agency request for address information, postmasters will provide one of the following responses:

*Mail is Delivered to Address Given*—meaning that the address which the agency has provided is verified as one

to which mail for that customer is currently being delivered.

*Not Known at Address Given*—meaning that mail for that customer is not currently being delivered to the address given.

*Moved, Left No Forwarding Address*—meaning that the addressee is believed to have moved and has not provided the post office with a change-of-address order. The address is verified as one to which mail for that customer is not currently being delivered.

*No such address*—meaning that the address given is nonexistent.

*Other (Specify)*—as appropriate, postmasters will provide other responses, e.g., that the addressee is deceased, the address given is incomplete or insufficient, or that the change of address order has expired and is no longer available.

*New Address*—if the addressee has submitted a change-of-address order, the new forwarding address will be provided.

*Boxholder Street Address*—if the last known address is a post office box and the agency requires the street address, it will be provided from the Form 1093, *Application for Post Office Box or Caller Number*, that the individual submitted at the time the post office box was rented.

After processing, the postmaster will return the request letter in a penalty window envelope to the agency's address shown at the bottom of the request.

#### Address Correction Service

The Postal Service emphasizes and recommends that Government agencies should, whenever possible, use the address correction service as the preferred alternative for routinely obtaining current address information for the individuals with whom they wish to correspond.

This service [*Domestic Mail Manual (DMM)* 159.3] provides an individual's new address (if known by the Postal Service) or the reason for the nondelivery of mail to any mailer when mail is undeliverable as addressed and the mail is endorsed "Address Correction Requested." The information provided comes from the same source used to respond to requests for change-of-address information. The fee is 25 cents for each address correction or notification of reason for nondelivery. Payment for address correction notices furnished to Federal agencies is made under the official mail reimbursement program (DMM 945.154).

The use of the address correction service will provide agencies with current address information quickly and

at relatively little cost. Since most undeliverable-as-addressed mail is now being processed by an automated mail forwarding system, mailers requesting address correction are notified of the new address more quickly than they are when post offices must manually process and answer individual address information requests. In addition, agencies incur less cost not only in terms of the fee itself, but also by avoiding the administrative costs associated with having their own personnel fill out and submit individual requests.

To alleviate any confusion about the 25-cent fee, it should be understood that the fee is not charged for every letter that carries the endorsement "Address Correction Requested," but only for those that contain an incorrect or incomplete address. If a letter is deliverable as addressed, no address correction is required and no fee is charged. For this reason, most mailers using this service routinely have the endorsement preprinted on their envelopes.

One commenter stated that the address correction service will not work for his agency because the agency's files are indexed by patient ID number and the address correction notice would show only the patient's name and new address. Without the patient ID number, it was stated, the agency would have no way to match up the patient's new address with the patient's file.

Actually, agencies have two options in such a situation: (1) They may show the agency's identifier for the addressee on the face of the letter (and it will be included in the address correction notice). (2) They may endorse the letter "Address Correction Requested—Do Not Forward." Mail that is undeliverable-as-addressed and bears this endorsement will be returned to the sender along with the new address, if known.

In the interest of economy, agencies should limit their use of the address information/verification service to those situations in which it is actually essential, such as when the verification of an individual's current address is required by law or regulation, or when the agency needs to verify the residence address of an individual without the individual being aware of it.

Accordingly, 39 CFR is amended as follows:

#### List of Subjects in 39 CFR Part 265

Release of information, Postal Service.

\*Agencies will no longer be required to certify that all other known sources for obtaining the address have been exhausted.



**PART 265—RELEASE OF INFORMATION**

1. In § 265.6, paragraph (d)(7) is redesignated as paragraph (d)(8) and new paragraph (d)(7) is added reading as follows:

**§ 265.6 Availability of records.**

(d) \* \* \*

(7) The address of a postal customer

will be verified at the request of a Federal, State, or local government agency upon written certification that the information is required for the performance of the agency's duties. "Verification" means advising such an agency whether or not its address for a postal customer is one at which mail for that customer is currently being delivered. "Verification" neither means nor implies knowledge on the part of the Postal Service as to the actual residence of the customer or as to the actual

receipt by the customer of mail delivered to that address. The following format, printed on agency letterhead, will be used when a government agency requests from the Postal Service the verification of a customer's current address or a customer's new mailing address. Government agencies eligible for a waiver of the fee in accordance with § 265.8(e)(8) are required to modify the request format so that it will indicate the appropriate waiver.

BILLING CODE 7710-12-M



## (AGENCY LETTERHEAD)

To: Postmaster

Agency Control No. \_\_\_\_\_

Date: \_\_\_\_\_

ADDRESS INFORMATION REQUEST

Please furnish this agency with the new address, if available, for the following individual or verify whether or not the address given below is one at which mail for this individual is currently being delivered. If the following address is a post office box, please furnish the street address as recorded on the boxholder's application form.

Name: \_\_\_\_\_

Last Known

Address: \_\_\_\_\_

I certify that the address information for this individual is required for the performance of this agency's official duties. The stamps or meter strip in payment of the fee are affixed.

(Affix stamps or meter strip  
here.)

\_\_\_\_\_  
(Signature of Agency Official)\_\_\_\_\_  
(Title)FOR POST OFFICE USE ONLY☐ MAIL IS DELIVERED TO ADDRESS GIVEN

NEW ADDRESS

☐ NOT KNOWN AT ADDRESS GIVEN☐ MOVED, LEFT NO FORWARDING  
ADDRESS

BOXHOLDER'S STREET ADDRESS

☐ NO SUCH ADDRESS☐ OTHER (SPECIFY): \_\_\_\_\_\_\_\_\_\_  
Agency return address\_\_\_\_\_  
Postmark/Date Stamp



2. In § 265.8, new paragraph (d)(4), which will become effective January 1, 1985, is added as follows and paragraph (e)(8) is revised to read as follows:

**§ 265.8 Schedule of fees.**

(d) \* \* \*

(4) *Verification of address.* The fee for verifying a postal customer's current address to a Government agency in accordance with § 265.6(d)(7) is \$1.00 per request. The fee is not refundable, but may be waived in accordance with § 265.8(e)(8).

(e) \* \* \*

(8) *Waiver of fee for changes of address and address verification.* The fee prescribed by § 265.8 (d)(3) and (d)(4) is waived when address information is provided to:

(i) Local government law enforcement officers;

(ii) Federal and State law enforcement officers who confirm that the information is needed during the course of a criminal investigation;

(iii) Court officials such as judges, clerks, or jury commissioners upon prior written request when requesting the mailing address of any customer sought in connection with jury service;

(iv) Federal, State, and local public health officials for the purpose of locating persons who are infected with or who have been exposed to contagious diseases;

(v) Any individual in a compelling emergency; and,

(vi) Manufacturers of postage meters attempting to locate a missing meter.

For the purposes of this provision, a law enforcement officer is any employee of the Federal government, or of any State or local government, whose primary functions are the investigation of crimes, or the apprehension or detention of persons suspected or convicted of violations of the criminal laws of the applicable jurisdiction.

(39 U.S.C. 401; 5 U.S.C. 552)

Harold J. Hughes,

Acting General Counsel.

[FR Doc. 84-13630 Filed 5-18-84; 8:45 am]

BILLING CODE 7710-12-M

certain terms not previously defined to bring the definitions into conformance with more recent legislative changes and increasingly complex relationships within the national legal services program.

**EFFECTIVE DATE:** June 20, 1984.

**FOR FURTHER INFORMATION CONTACT:** Richard N. Bagenstos, Assistant General Counsel, Office of General Counsel, (202) 272-4010.

**SUPPLEMENTARY INFORMATION:** On February 28, 1984, the Legal Services Corporation published in the *Federal Register* (49 FR 7255) a proposed rule containing new and revised definitions pursuant to the Legal Services Corporation Act, as amended. Interested parties were given thirty days, until March 29, 1984 to submit comments on the proposed rule. Thirty comments were received and given full consideration. The final rule contains modifications made in response to these comments.

The definitions issued pursuant to the Act have not been revised since they were published on May 5, 1976. The Corporation and recipient relationships have grown dramatically in complexity since that time. Thus, the definitions are no longer as explanatory as they should be, nor do they reflect changes in authorizing legislation or clarification of Congressional intent.

These definitions clarify the previously issued regulations in three general ways: (1) They refer to the reauthorization legislation which was adopted in 1977; (2) they acknowledge additional legislative direction given through continuing resolutions and appropriations language by referring to "other applicable law"; and (3) they acknowledge the complex organizational nature of legal services grantees by specifically including additional descriptive designations such as "subrecipients".

In addition, the proposed regulation are consistent stylistically with other regulations, and conform to clear language in the Act. Terms which are included in the proposed definitions and which were not previously defined in either the Act or the regulations are "financial assistance", and "political".

The definition of "eligible client" was modified in response to comments to delete the words "financially unable to afford legal assistance and". The Corporation's eligibility regulations, 45 CFR Part 1611, set the standards which must be met by a client to determine eligibility. The deleted words were redundant, and might have created a mistaken impression that a separate, additional standard was thereby being

imposed. The words "these regulations" were added to indicate that eligibility standards are stated elsewhere in the regulations.

A number of comments expressed the opinion that the Corporation's new definition of "financial assistance" was unduly restrictive in limiting that term to funding granted under section 1006(a)(1)(A) of the Act. They argued that it should apply to all LSC grants or contracts relating to the provision of legal assistance. After careful consideration of the matter, the Corporation has determined that the use of that term in the Act itself justifies the interpretation given in the definition. This definition will be retained.

The definition of the term "lobbying" was deleted on the basis of comments, and due to the fact that, with one minor exception, the term is used only in Part 1612 of the regulations.

On the basis of comments received, the definition of the term "political" was modified by deleting of the words "policy positions", and adding the words "ballot measures" after the phrase "public office". The deletion was made because comments indicated that the inclusion of that term would appear to prohibit testimony before legislative and administrative bodies. The addition was made to bring the language into conformance with the appropriations rider.

A number of comments were received concerning the proposed definition of "public funds". The major objection arose from the language in the definition which appeared to make funds received indirectly from other governmental agencies, such as under Title III of the Older Americans Act, susceptible to the Corporation's regulations. Therefore, to clarify that such a result was not intended, the words "directly from" after the words "from the Corporation or" have been deleted.

Finally, in response to comments, the definition of "recipient" has been modified in the final rules by deletion of the words "qualifying to receive and", to make it clear that no separate and distinct standard was implied.

**List of Subjects in 45 CFR Part 1600**

Legal services.

For the reasons set out in the preamble, 45 CFR Part 1600 is revised as follows:

**PART 1600—DEFINITIONS**

**§ 1600.1 Definitions.**

As used in these regulations, Chapter XVI, unless otherwise indicated, the term—

**LEGAL SERVICES CORPORATION**

**45 CFR Part 1600**

**Definitions**

**AGENCY:** Legal Services Corporation.

**ACTION:** Final rule.

**SUMMARY:** This final rule revises certain of the definitions of terms used in the Corporation's regulations and adds



"Act" means the Legal Services Corporation Act, Pub. L. 93-355 (1974), as amended, Pub. L. 95-222 (1977), 42 U.S.C. 2996-29961.

"Appeal" means any appellate proceeding in a civil action as defined by law or usage in the jurisdiction in which the action is filed.

"Attorney" means a person who provides legal assistance to eligible clients and who is authorized to practice law in the jurisdiction where assistance is rendered.

"Corporation" means the Legal Services Corporation established under the Act.

"Director of a recipient" means a person directly employed by a recipient in an executive capacity who has overall day-to-day responsibility for management of operations by a recipient.

"Eligible client" means any person determined to be eligible for legal assistance under the Act, these regulations or other applicable law.

"Employee" means a person employed by the Corporation or by a recipient, or a person employed by a subrecipient whose salary is paid in whole or in major part with funds provided by the Corporation.

"Fee generating case" means any case or matter which, if undertaken on behalf of an eligible client by an attorney in private practice, reasonably may be expected to result in a fee for legal services from an award to a client from public funds or from an opposing party.

"Financial assistance" means annualized funding from the Corporation granted under 1006(a)(1)(A) for the direct delivery of legal assistance to eligible clients.

"Legal assistance" means the provisions of any legal services consistent with the purposes and provisions of the Act or other applicable law.

"Outside practice of law" means the provisions of legal assistance to a client who is not eligible to receive legal assistance from the employer of the attorney rendering assistance, but does not include, among other activities, teaching, consulting, or performing evaluations.

"Political" means that which relates to engendering public support for or opposition to candidates for public office, ballot measures, or political parties, and would include publicity or propaganda used for that purpose.

"President" means the President of the Corporation.

"Public funds" means the funds received directly or indirectly from the Corporation or a Federal, State, or local

government or instrumentality of a government.

"Recipient" means any grantee or contractor receiving financial assistance from the Corporation under Section 1006(a)(1)(A) of the Act.

"Staff attorney" means an attorney more than one half of whose annual professional income is derived from the proceeds of a grant from the Legal Services Corporation or is received from a recipient, subrecipient, grantee, or contractor that limits its activities to providing legal assistance to clients eligible for assistance under the Act.

"Tribal funds" means funds received from an Indian tribe or from a private foundation for the benefit of an Indian tribe.

(Pub. L. 93-355, 88 Stat. 378, 42 U.S.C. 2996-2996)

Dated: May 15, 1984.

Alan R. Swendiman,  
General Counsel.

[FR Doc. 84-13604 Filed 5-18-84; 8:45 am]

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#### 45 CFR Part 1614

##### Private Attorney Involvement

**AGENCY:** Legal Services Corporation.

**ACTION:** Final rule.

**SUMMARY:** This rule substantially adopts as a Corporation regulation Instruction 83-6: Attorney Involvement by Recipients of Funding, published in the *Federal Register* on November 29, 1983. This instruction provided direction to recipients of Legal Services Corporation funding on allocating amounts of the recipient's financial support from the Corporation to provide the opportunity for involvement of private attorneys in the delivery of legal assistance to eligible clients. The rule formalizes the structures and procedures of the continued Corporation interest in private attorney involvement.

**EFFECTIVE DATE:** June 20, 1984.

**FOR FURTHER INFORMATION CONTACT:** Richard N. Bagenstos, Assistant General Counsel, Office of the General Counsel, (202) 272-4010.

**SUPPLEMENTARY INFORMATION:** The Legal Services Corporation published a proposed rule setting forth the policy adopted by the Board of Directors on October 2, 1981, requiring that a substantial amount of recipient funds be made available to provide opportunities for involvement of private attorneys to deliver legal assistance to eligible clients. The proposed rule appeared in the *Federal Register* on March 23, 1984 (49 FR 10950). Interested parties were

given until April 23, 1984, to submit comments on the proposed rule. Seventy-seven comments were received and fully considered including 34 from programs, 20 from bar associations, 8 from support programs, 1 from Congress, 9 from private parties and 6 others.

Section 1614.1 adopts a previous Board resolution defining "substantial amount" as at least twelve and one-half percent (12½%) of the recipient's Legal Services Corporation annualized basic field award. In response to comments, a waiver provision has been added to permit a recipient to request relief from the requirement when "the nature of the population served, and the available attorney population" make compliance impossible. Recipients of migrant or Native American funding are to use their best efforts to meet the requirements or the Corporation must be satisfied that private legal involvement is not feasible.

Research demonstrates that there are several effective and economical ways in which to involve private attorneys, on either a voluntary or a partially-compensated basis, in the delivery of legal services to eligible clients. Over the years, it has become clear that mixed delivery systems provide for effective and economical delivery service.

Section 1614.1(c) is a newly added subsection, transferred from § 1614.4(c), and rewritten to indicate that it represents a statement of purpose, and not an absolute mandate. The purpose of the Corporation's policy of involving the private bar is to make the most of the limited resources available for legal assistance to eligible clients.

Section 1614.2(b) is modified by making the 12.5% requirement applicable to national and state support programs effective January 1, 1985.

Some comments suggested the removal of the language "subject to review and evaluation by the Corporation" from § 1614.2(c) on the grounds that all activities of recipients are subject to such review and evaluation, and therefore the quoted language is either redundant or implies additional review. No additional review is implied, and the Corporation retains the language cited, which was previously published in the Instruction.

The regulation defines a wide range of activities permitted to involve the private bar in the delivery of legal assistance to eligible clients. The primary consideration is, of course, that the highest quality of civil legal services be provided to the clients in an effective and economical manner. In response to comments, § 1614.3(a)(1) has been